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Anheuser-Busch

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A N N U A L R E P O R T / 1 9 6 0

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President

R. A. MEYER
*Vice President and
General Manager*

FRANK H. SCHWAIGER
*Senior Vice President
—Brewing*

WILLIAM BIEN
Vice President

C. J. HAUSER
Vice President

HENRY N. McCLUNEY
Vice President

JOHN FLANIGAN
Vice President

WALTER T. SMITH, JR.
Vice President

HUGO WANINGER
Vice President

J. KENNETH HYATT
Vice President

R. C. GADSBY
Vice President

THOMAS C. BURROWS
Vice President

OWEN RUSH
Vice President

MARVIN D. WATERS
Controller

MRS. K. SIEBERT
Secretary

REID McCrum
Treasurer

C. E. EHRHARDT
Assistant Controller

THOMAS J. CARROLL
Assistant Secretary

JOHN L. HAYWARD
Assistant Secretary

DIRECTORS

EBERHARD ANHEUSER

WILLIAM S. ANHEUSER

AUGUST A. BUSCH, JR.
Chairman of the Board

DAVID R. CALHOUN, JR.

JOHN FLANIGAN

A. VON GONTARD
Vice Chairman of the Board

ANDREW W. JOHNSON

JOHN F. KREY II

H. NORRIS LOVE

J. W. McAFEE

R. A. MEYER

ADOLPH B. ORTHWEIN

CURT H. REISINGER

ETHAN A. H. SHEPLEY

JOHN L. WILSON

EXECUTIVE COMMITTEE

AUGUST A. BUSCH, JR.
Chairman

R. A. MEYER
Vice Chairman

DAVID R. CALHOUN, JR.

A. VON GONTARD

ANDREW W. JOHNSON

J. W. McAFEE

JOHN L. WILSON

STOCK TRANSFER AGENTS

ST. LOUIS UNION
TRUST COMPANY

510 Locust Street
St. Louis 1, Missouri

CHEMICAL BANK
NEW YORK TRUST
COMPANY

30 Broad Street
New York 15, N. Y.

STOCK REGISTRARS

MERCANTILE TRUST
COMPANY

721 Locust Street
St. Louis 1, Missouri

MORGAN GUARANTY
TRUST COMPANY
OF NEW YORK

30 West Broadway
New York 15, N. Y.

DEBENTURES-
TRUSTEE,
REGISTRAR AND
PAYING AGENT

MANUFACTURERS TRUST
COMPANY

55 Broad Street
New York 15, N. Y.



ANNUAL REPORT
TO
SHAREHOLDERS
OF
ANHEUSER-BUSCH,
INCORPORATED
SAINT LOUIS, MO.

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THE YEAR AT A GLANCE

YEAR ENDED DECEMBER 31

	1960	1959
Barrels of beer sold.....	8,477,099	8,064,756
Sales — less freight, discounts and allowances....	\$400,900,568	\$382,724,798
Inventory turnover in cost of sales.....	7.9 times	7.4 times
All costs and expenses except taxes.....	269,785,079	261,986,160
All taxes.....	115,699,579	107,709,966
Per share.....	23.65	22.20
Earnings.....	15,415,910	13,028,672
Ratio to net sales.....	5.0%	4.4%
Return on average invested capital.....	11.0%	9.9%
Per share.....	3.15	2.69
Cash dividends paid.....	6,820,045	6,040,361
Per cent of earnings distributed.....	44%	46%
Per share.....	1.40	1.25
Earnings retained.....	8,595,865	6,988,311
Provision for depreciation charged to operations..	10,580,827	10,082,726
Capital expenditures.....	17,076,280	14,179,756

FINANCIAL CONDITION AT DECEMBER 31

Current assets.....	63,404,238	58,335,582
Current liabilities.....	15,063,537	12,166,414
Working capital.....	48,340,701	46,169,168
Working capital ratio.....	4.2 to 1	4.8 to 1
Per share.....	9.88	9.52
Net property.....	112,713,466	106,281,388
Per share.....	23.05	21.90
Other assets and deferred charges.....	8,808,959	9,115,462
Per share.....	1.80	1.88

Long-term debt.....	24,493,000	25,716,000
Per share.....	5.01	5.30
Net worth — capital stock and surplus.....	145,370,126	135,850,018
Per share.....	29.72	28.00

Number of shares outstanding at December 31....	4,891,539	4,851,698
Number of shareholders at December 31.....	19,680	20,394
Number of employees at December 31.....	8,711	8,687
Total payroll cost.....	\$ 73,070,079	\$ 70,438,238

THE PRESIDENT'S LETTER

To the Shareholders of Anheuser-Busch, Incorporated:

Last year . . . 1960 . . . was an excellent year for Anheuser-Busch, Incorporated.

A capsule report of the year, from a financial standpoint, reads like this . . .

We did in excess of \$400,000,000 in business . . . sold 8,477,000 barrels of beer . . . earned \$15,415,910 at the rate of \$3.15 per share . . . paid out \$73,000,000 salaries, wages, and benefits . . . and \$6,820,000 in dividends.

Our tax bill was in excess of \$115,000,000 . . . we spent \$17,000,000 on new plant and equipment and set aside more than \$10,000,000 for depreciation and replacement.

In each case, receipts and expenditures exceeded last year.

All in all, it was the best year in our entire history.

This pretty much tells the story of our operations. Full details will be found in appropriate sections of this report.

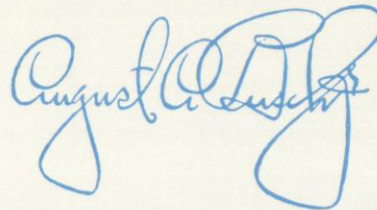
It has become more or less standard practice for businessmen to forecast the future. We have said time and time again that we have no special knowledge which gives us any insight into what the future may bring.

On previous occasions I have indicated that there are basic reasons why we feel strongly about the need for constructive and decisive action on the part of both government and business, particularly in these times. We believe that such action is essential to the kind of confidence we need to move forward. There is too much at stake both here and in the rest of the world to feel otherwise. In addition, it seems to me the hope and security of millions of citizens are directly involved and as a matter of fact

the hopes of the whole freeworld are tied to a prosperous and secure America. We shall devote all of our energies in the year ahead to keeping Anheuser-Busch in the forefront of the industry.

On behalf of the entire management group of Anheuser-Busch, I express sincere appreciation for the confidence expressed in your officers and directors.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "August A. Busch". The signature is fluid and cursive, with the first name "August" being more prominent than the last name "Busch".

President and Chairman of the Board

St. Louis, Missouri, March 3, 1961.

THE ANNUAL MEETING ...

of the shareholders of the Company will be held on Wednesday, April 26, 1961 at 10:00 a.m. A notice of that meeting and proxies on behalf of the management will be sent to the shareholders on or about April 3, 1961.

REVIEW OF THE YEAR

Condensed statement of beer volume and consolidated earnings by quarters is shown below:

	In Thousands			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Barrels sold (all beers).....	1,841	2,537	2,309	1,790
Net sales.....	\$67,512	\$89,873	\$83,923	\$67,447
Depreciation provision.....	2,578	2,605	2,666	2,732
Income before taxes.....	5,796	10,814	10,865	5,976
Earnings.....	2,723	5,085	5,105	2,503
Per share.....	.56	1.05	1.03	.51

Return on average invested capital for the year was 11% compared with 9.9% for 1959, and the ratio of earnings to net sales increased to 5% compared with 4.4% for 1959.

Cash dividends of \$1.40 per share were paid in 1960 compared with \$1.25 in 1959. The Company has paid cash dividends in each of the past 28 years, and stock dividends in the years 1953 and 1954.

Package beer sales in 1960 were 83.4% of total volume, with 62.6% of package beer sold in cans and nonreturnable bottles, cans accounting for 53.1% of the total package beer volume. Approximately 81% of the beer sold by the Company in 1960, measured in barrels, reached retail channels through over 900 independent wholesaler distributing points which serve various marketing areas throughout the country.

A summary of the consolidated income statement on page 14 for the past two years shows the increases that took place during 1960.

	In Thousands		
	1960	1959	Increase
Net sales.....	\$308,755	\$295,992	\$12,763
Per cent.....			4.3%
Cost of doing business.....	275,304	266,917	8,387
Per cent.....			3.1%
Income before taxes.....	33,451	29,075	4,376
Per cent.....			15.1%
Tax provision.....	18,035	16,046	1,989
Per cent.....			12.4%
Earnings.....	15,416	13,029	2,387
Per cent.....			18.3%

WORKING CAPITAL

Working capital at December 31, 1960 was \$48,340,701, an increase of \$2,171,533 over December 31, 1959. Working capital ratio was 4.2 to 1. Cash, governments (excluding tax bills deducted from current liabilities), and commercial paper aggregated \$24,725,200, or 1.6 times current liabilities of \$15,063,537.

The following statement summarizes the flow of funds for the past three years and accounts for the changes in working capital:

	In Thousands		
	1960	1959	1958
SOURCE OF FUNDS			
Net earnings.....	\$15,416	\$13,029	\$10,836
Depreciation provision.....	10,581	10,083	8,497
Long-term indebtedness.....			2,700
Proceeds from stock options exercised....	924	537	8
Total.....	26,921	23,649	22,041
DISPOSITION OF FUNDS			
Additions to property accounts.....	17,076	14,180	23,138
Dividends paid.....	6,820	6,040	5,787
Long-term debt reduction.....	1,223	44	4,171
Other items.....	(370)	(623)	108
Total.....	24,749	19,641	33,204
Working capital increased or (decreased).....	\$ 2,172	\$ 4,008	(\$11,163)

INCOME DOLLAR ALLOCATIONS

Comparison of the changes in the analysis of the Company's sales dollar for 1960 and 1959 is shown below:

	In Thousands			
	1960	%	1959	%
For materials and supplies.....	\$146,562	35.1	\$141,718	35.6
To governments for taxes.....	115,700	27.8	107,710	27.0
To employees for salaries, wages and benefits	71,313	17.1	68,976	17.3
For all other costs and expenses.....	68,138	16.3	66,700	16.8
Total costs and expenses.....	401,713	96.3	385,104	96.7
Cash dividends paid to shareholders.....	6,820	1.6	6,040	1.5
Earnings retained in business.....	8,596	2.1	6,988	1.8
Sales dollar.....	\$417,129	100.0	\$398,132	100.0

TAXES

Total taxes applicable to 1960 operations (not including the many hidden taxes included in materials and services purchased) amounted to \$115,700,000; direct taxes for the last three years were:

	In Thousands		
	1960	1959	1958
Federal and state excise taxes on beer.....	\$ 92,359	\$ 86,956	\$ 74,803
Federal and state income taxes.....	18,035	16,046	11,653
All other taxes.....	5,306	4,708	4,183
Total.....	\$115,700	\$107,710	\$ 90,639
Per share.....	23.65	22.20	18.79

Federal income tax returns have been examined through the year 1958, settlements agreed upon, and the additional taxes paid.

PROPERTY

The following schedule presents capital expenditures and depreciated values for the past five years, including Busch Stadium:

	In Thousands	
	Additions	Depreciated Value December 31
1956	\$ 4,557	\$ 92,305
1957	5,732	90,143
1958	23,138	104,580
1959	14,180	108,054
1960	17,076	114,293
Total.....	\$64,683	

Our Tampa brewery expansion was completed in 1960. Expansion of the Los Angeles brewery is now in progress with completion scheduled early in 1961.

An increase in capacity of our St. Louis brewery of 20% has been commenced with completion scheduled in 1962. The program will include substantial modernization of St. Louis brewing, packaging and shipping operations.

Depreciation provision of \$10,580,827 includes \$1,577,400 of accelerated depreciation provided by methods permitted pursuant to the Internal Revenue Code.

SHAREHOLDERS

At the close of the year, shareholders numbered 19,680 compared with 20,394 at the end of 1959.

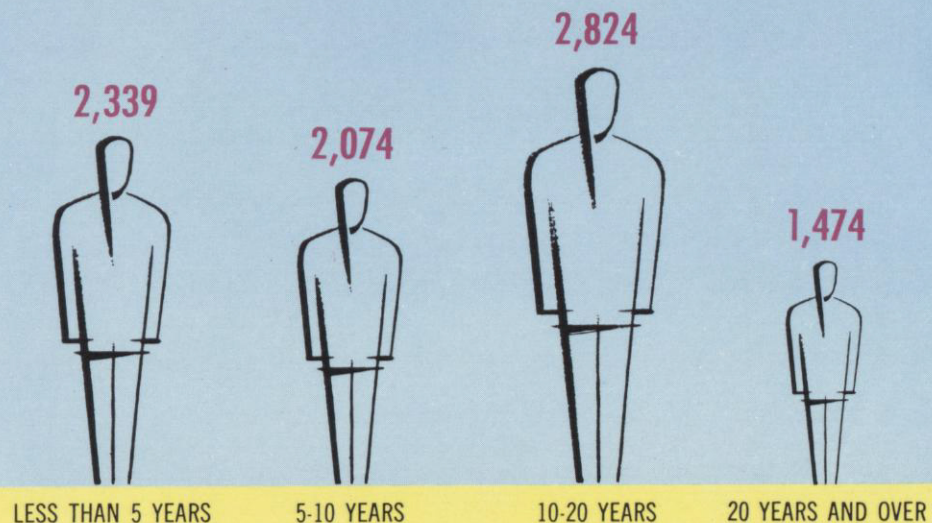
	Holders of Record	Shares Held
Men.....	5,742	1,015,987
Women.....	5,709	1,151,715
Joint names.....	7,011	538,937
Fiduciaries.....	671	1,215,492
Institutions, foundations, brokers, nominees and others	547	969,408
Total.....	19,680	4,891,539

EMPLOYEE RELATIONS

At December 31, 1960, employment was 8,711. Salaries and wages to officers and employees amounted to \$65,308,933; pension, life insurance, welfare benefits and payroll taxes aggregated \$7,761,146.

EMPLOYEES AND LENGTH OF SERVICE

8,711 total



As of the end of 1960, there were 8,711 persons employed by Anheuser-Busch. The chart above shows the breakdown of employees according to length of service. Within the group of 20 years and over, there are 122 employees who have been with the company for more than 30 years.

FARM PRODUCTS

Farm products purchased by the Company in 1960 had an aggregate value of \$36,226,000. Processing of brewers grains and corn produced 88,900 tons of high protein feed having a sales value of \$3,416,000, which was returned to the farm as feed.

The American farmer supplies the domestic hops, malt, barley, rice, and other grains used in the production of beer; corn for various products produced from corn; and molasses used in the production of yeasts.

In the brewing of Budweiser, the Company is one of the few breweries using rice exclusively as an adjunct grain to barley malt.

RESEARCH

The Company is actively engaged in research to improve present products and processes, develop new products, increase efficiency and reduce manufacturing cost.

Beer research includes the investigation of the factors involved in the brewing process from the raw materials to the finished product; and the development of methods for maximum control of uniformity of beer quality and stability. Yeast-corn products research effort has been concentrated on cost reduction in processing and distribution of products. Progress in this direction was made possible in the production of bakers yeast by the application of recent developments in equipment and instrumentation technology. Patents were obtained on new starch products for the textile and paper industries.

ST. LOUIS CARDINALS

Consolidated operations of the Cardinals and its subsidiaries for their fiscal year ended October 31, 1960, resulted in a net loss of \$36,941. For the period from March 10, 1953 (acquisition date) to October 31, 1960, the operations of the Cardinals resulted in a net loss of \$124,064. During the 1960 baseball season the Cardinals' home attendance increased 18% and attendance at games away from home increased 16%. In 1961, the Cardinals will operate one minor league club and have working agreements with seven other minor league clubs.

MANAGEMENT CHANGES

On April 13, 1960, Mr. R. A. Meyer, Vice President and General Manager, was elected a member of the Board of Directors. Mr. Owen Rush was appointed Vice President in charge of industrial relations.

During 1960, Mr. Arthur E. Weber, Vice President - yeast and corn products, who had been with the Company 34 years, retired from service. Mr. R. E. Hardy, Vice President, also retired after 10 years of service.

We regret to report the death, on October 19, 1960, of Mr. A. L. Weber who was Assistant Treasurer of the Company.

STOCK OPTION PLAN

On August 2, 1955, shareholders approved a restricted stock option plan for officers and key employees of the Company and its subsidiaries to the extent of 240,811 unissued shares of common stock. Option prices are not less than 95% of fair market value at dates of grant (110% in the case of a person possessing 10% or more of the combined voting power of the Company).

In 1960, options covering 8,800 shares at \$32.93 and \$36.575 a share were granted. Options covering 39,841 shares were exercised at prices ranging from \$18.41 to \$32.93 a share and the 10,000 remaining shares of an option at \$25.30 a share expired.

At December 31, 1960, the following options were outstanding:

Date of Grant	Number of Optioned Shares	Option Price
November 14, 1955.....	9,950	\$19.00
October 22, 1958.....	1,050	20.90
September 16, 1960.....	4,900	32.93
December 19, 1960.....	3,800	36.575
Total shares.....	19,700	

LEGAL PROCEEDINGS

On September 10, 1957, the Federal Trade Commission entered an order to the effect that the Company had violated antitrust laws which would prohibit the Company from cutting prices in any market where it is in competition with other brewers, unless it reduces its prices for the same quantity of beer everywhere by the same percentage. The Company appealed this order to the United States Court

of Appeals for the Seventh Circuit and was successful in having the order reversed. The Federal Trade Commission appealed this decision to the United States Supreme Court and on June 20, 1960 the United States Supreme Court rendered its decision and reversed the judgment of the Court of Appeals and remanded the case to that Court for further proceedings not inconsistent with its opinion. On January 25, 1961, the United States Court of Appeals for the Seventh Circuit set aside the order issued by the Federal Trade Commission on September 10, 1957.

On October 30, 1958, the United States, acting under the direction of the Attorney General, filed a complaint against the Company and the corporations from which the Company purchased the Miami Regal brewery, alleging that the effect of such acquisition may be substantially to lessen competition or to tend to create a monopoly in the production and sale of beer in the State of Florida and in various sections thereof, in violation of Section 7 of the Clayton Act, and seeking an order requiring that the Company divest itself of all of the business acquired from such other corporations, including trademarks, inventory and assets relating to the production of Regal beer in Florida. The Company negotiated with the United States a consent judgment which in effect requires the Company to offer for sale the Miami Regal brewery at a price and upon terms which are acceptable to the United States District Judge having due regard among other things for the reasonable market value of the Miami Regal brewery and the necessity of effecting a prompt sale. During the past year and in accordance with the terms of the consent judgment, the sales agent appointed by the Company has made strenuous efforts to sell the Miami Regal brewery but to date has not received an offer from any prospective purchaser. Counsel for the Company is preparing a petition to modify the consent judgment which will be presented to the United States District Judge at Miami for his decision.

The Company was defendant in certain other lawsuits at December 31, 1960, the ultimate outcome of which cannot be determined at this time. The Company's liability under such suits, if any, would not materially affect its financial condition or operations.

CONSOLIDATED BALANCE SHEET

December 31, 1960 And 1959



ANHEUSER-

ASSETS

1960

1959

CURRENT ASSETS:

Cash	\$ 10,506,716	\$ 11,791,655
Securities - at cost (approximate market) and accrued interest:		
United States Government	10,240,109	7,845,824
Commercial paper	3,978,375	
Accounts and notes receivable:		
Trade (less reserves: 1960, \$530,000; 1959, \$370,000)	13,174,892	12,793,899
Other	561,733	536,577
Inventories - (at lower of cost or market, cost being determined under the "last-in, first-out" method as to approximately 32% of total inventories in 1960)	24,942,413	25,367,627
Total current assets	<u>63,404,238</u>	<u>58,335,582</u>

MISCELLANEOUS NON-CURRENT ASSETS	<u>1,058,037</u>	<u>990,082</u>
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OTHER ASSETS:

Investment and advances - St. Louis National Baseball Club, Inc.	3,150,000	3,150,000
Busch Stadium - net	1,579,747	1,772,643
Total other assets	<u>4,729,747</u>	<u>4,922,643</u>

PROPERTY — at cost:

Plant and branch property (less reserve for depre- ciation: 1960, \$81,788,222; 1959, \$73,256,217)	101,654,492	100,933,260
Construction in progress	7,384,545	4,449,790
Real estate, other than plant property (less reserve for depreciation: 1960, \$729,233; 1959, \$625,280)	1,511,787	485,506
Cooperage (less reserve for depreciation: 1960, \$8,931,311; 1959, \$8,581,408)	2,162,642	412,832
Net property	<u>112,713,466</u>	<u>106,281,388</u>

DEFERRED CHARGES	<u>3,021,175</u>	<u>3,202,737</u>
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TOTAL	<u>\$184,926,663</u>	<u>\$173,732,432</u>
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BUSCH, INCORPORATED and subsidiaries

LIABILITIES

CURRENT LIABILITIES:

	1960	1959
Notes payable	\$ 900,000	
Accounts payable	6,921,821	\$ 6,096,217
Miscellaneous taxes and expenses	3,392,677	3,065,087
Accrued salaries and wages	2,364,425	2,166,329
Income taxes - estimated:		
Federal (less United States Government securities: 1960, \$10,395,386; 1959, \$9,841,219)	934,614	378,781
State	550,000	460,000
Total current liabilities	<u>15,063,537</u>	<u>12,166,414</u>

LONG-TERM DEBT:

3 $\frac{3}{8}$ % debentures maturing 1962 to 1977, less \$1,132,000 in treasury in 1960 and \$2,299,000 in 1959	22,693,000	23,016,000
4% notes payable maturing 1962 and 1963	<u>1,800,000</u>	<u>2,700,000</u>
Total long-term debt	<u>24,493,000</u>	<u>25,716,000</u>

CAPITAL STOCK AND SURPLUS:

Common stock - authorized, 6,000,000 shares, par value \$4 each (170,990 shares reserved under stock option plan); issued, 4,912,946 shares in 1960	19,651,784	19,492,420
Capital surplus (principally arising from stock dividends) ..	9,486,991	8,722,112
Earned surplus (\$54,419,709 restricted as to payment of dividends under Indenture relating to 3 $\frac{3}{8}$ % Debentures) ..	<u>116,708,403</u>	<u>108,112,538</u>
Total	145,847,178	136,327,070
Less cost of treasury stock - 21,407 shares	<u>477,052</u>	<u>477,052</u>
Capital stock (4,891,539 shares in 1960) and surplus	<u>145,370,126</u>	<u>135,850,018</u>
TOTAL	<u>\$184,926,663</u>	<u>\$173,732,432</u>

*The above statement should be read in conjunction
with pages 10 and 11 of this report.*

STATEMENT OF CONSOLIDATED INCOME

FOR THE YEARS ENDED DECEMBER 31, 1960 AND 1959

	1960	1959
SALES, LESS FREIGHT, DISCOUNTS, AND ALLOWANCES.....	\$400,900,568	\$382,724,798
LESS FEDERAL AND STATE BEER TAXES.....	<u>92,145,499</u>	<u>86,732,776</u>
NET SALES.....	308,755,069	295,992,022
COST OF SALES.....	<u>215,836,647</u>	<u>207,338,414</u>
GROSS PROFIT ON SALES.....	<u>92,918,422</u>	<u>88,653,608</u>
OPERATING EXPENSES:		
Advertising, selling, and delivery.....	53,407,967	51,280,375
General and administrative, and research.....	<u>6,485,793</u>	<u>8,272,623</u>
Total.....	<u>59,893,760</u>	<u>59,552,998</u>
PROFIT FROM OPERATIONS.....	<u>33,024,662</u>	<u>29,100,610</u>
OTHER INCOME:		
Interest.....	672,421	374,072
Cash discounts on purchases.....	890,958	884,887
Income from rentals-net.....	40,986	24,658
Net profit (loss) on disposition of property.....	82,127	(96,300)
Miscellaneous.....	<u>68,144</u>	<u>107,334</u>
Total.....	<u>1,754,636</u>	<u>1,294,651</u>
TOTAL.....	<u>34,779,298</u>	<u>30,395,261</u>
INCOME CHARGES:		
Interest expense.....	887,942	889,950
Busch Stadium expenses in excess of rentals.....	295,184	366,394
Miscellaneous.....	<u>144,690</u>	<u>63,801</u>
Total.....	<u>1,327,816</u>	<u>1,320,145</u>
NET INCOME BEFORE INCOME TAXES.....	33,451,482	29,075,116
PROVISION FOR INCOME TAXES.....	<u>18,035,572</u>	<u>16,046,444</u>
NET INCOME FOR THE YEAR.....	<u>\$ 15,415,910</u>	<u>\$ 13,028,672</u>
PROVISION FOR DEPRECIATION INCLUDED ABOVE.....	\$ 10,580,827	\$ 10,082,726

STATEMENT OF CONSOLIDATED SURPLUS

FOR THE YEAR ENDED DECEMBER 31, 1960

	Earned Surplus	Capital Surplus
BALANCE, JANUARY 1, 1960.....	\$108,112,538	\$ 8,722,112
ADD:		
Net income for the year.....	15,415,910	
Excess of option price over par value of common stock sold under stock option plan.....		<u>764,879</u>
Total.....	<u>123,528,448</u>	<u>9,486,991</u>
DEDUCT—Cash dividends—\$1.40 a share.....	<u>6,820,045</u>	
BALANCE, DECEMBER 31, 1960.....	<u>\$116,708,403</u>	<u>\$ 9,486,991</u>

*The above statements should be read in conjunction
with pages 10 and 11 of this report.*

ACCOUNTANTS'
OPINION

HASKINS & SELLS

CERTIFIED PUBLIC ACCOUNTANTS

BOATMEN'S BANK BUILDING
SAINT LOUIS 2

Anheuser-Busch, Incorporated:

We have examined the consolidated balance sheet of Anheuser-Busch, Incorporated and its subsidiaries as of December 31, 1960 and the related statements of consolidated income and surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and statements of consolidated income and surplus present fairly the financial position of the companies at December 31, 1960 and the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Haskins & Sells

February 15, 1961.



10 YEAR SUMMARY OF FINANCIAL CONDITION

ASSETS

	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951
CURRENT ASSETS:										
Cash	\$ 10,506,716	\$ 11,791,655	\$ 9,789,373	\$ 11,917,955	\$ 13,140,748	\$ 18,478,350	\$ 19,773,495	\$ 11,716,696	\$ 20,105,699	\$ 12,805,120
United States Government Securities	10,240,109	7,845,824	4,938,365	21,348,932	12,019,392	618,626	5,583,526	4,889,879	5,523,588	549,750
Commercial paper	3,978,375		4,003,927	995,318	978,342	985,000			3,939,889	
Receivables, less reserve	13,736,625	13,330,476	13,387,094	11,800,600	10,497,437	10,135,796	9,100,357	7,781,676	9,726,364	8,418,405
Advance on purchase commitments						297,701		717,020		
Inventories	24,942,413	25,367,627	23,125,803	21,163,921	22,784,452	21,915,505	25,405,591	25,174,223	24,821,310	29,246,883
Total current assets	63,404,238	58,335,582	55,244,562	67,226,726	59,420,371	52,430,978	59,862,969	50,279,494	64,116,850	51,020,158
MISCELLANEOUS NON-CURRENT ASSETS	1,058,037	990,082	1,032,904	1,018,259	588,995	506,392	369,507	298,894	272,121	169,575
INVESTMENT AND ADVANCES—ST. LOUIS NATIONAL BASEBALL CLUB, INC. (including Busch Stadium)	4,729,747	4,922,643	5,083,498	5,317,332	6,408,894	6,650,217	6,530,349	4,876,167		
PROPERTY (Depreciated value):										
Plant and branch property	101,654,492	100,933,260	89,747,705	85,621,658	88,767,121	92,309,841	93,055,499	75,112,809	71,086,215	69,382,748
Construction in progress	7,384,545	4,449,790	11,951,945	1,860,747	698,539	672,151	2,200,538	14,798,570	3,614,727	2,870,218
Real estate other than plant property	1,511,787	485,506	470,307	420,337	387,064	394,756	459,856	602,828	614,571	932,562
Cooperage	2,162,642	412,832	476,189	222,433	343,501	367,949	363,999	694,224	1,440,533	2,613,949
Net property	112,713,466	106,281,388	102,646,146	88,125,175	90,196,225	93,744,697	96,079,892	91,208,431	76,756,046	75,799,477
DEFERRED CHARGES	3,021,175	3,202,737	3,160,654	2,711,985	2,429,544	3,323,401	2,718,358	2,407,583	2,308,546	2,255,776
TOTAL	\$184,926,663	\$173,732,432	\$167,167,764	\$164,399,477	\$159,044,029	\$156,655,685	\$165,561,075	\$149,070,569	\$143,453,563	\$129,244,986

CURRENT LIABILITIES:

[illegible]

CAPITAL STOCK AND SURPLUS:

Common stock — authorized, 6,000,000 shares, par value \$4 each, (170,990 reserved under stock option plan) issued, 4,912,946 shares	Capital surplus.....	\$54,419,709
	Earned surplus	
	restricted as to payment of dividends under indenture relating to 3% debentures)	

Total.....

Less cost of treasury stock
21,407 shares

Capital stock (4,891,539 shares)
and surplus

and surplus

Per share

TOTAL.....

SALES, INCOME, DIVIDENDS, EARNINGS REINVESTED, DEPRECIATION and PAYROLLS...

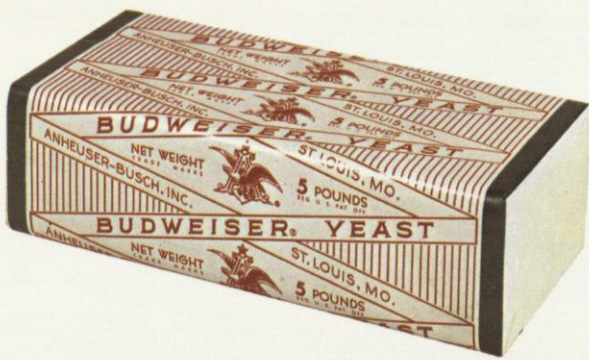
	Barrels	Net Sales	Income Before Taxes	Earnings	Earnings Per Share	Dividends Paid . . \$Shares Outstanding	Per Share	Earnings Reinvested	Depreciation Charged to Operations	Direct Payroll
1933....	607,511	\$ 15,049,833	\$ 457,251	\$ 325,529	\$ 1.81	180,000	\$ 3.00†		\$ 975,821	NA
1934....	1,093,223	16,843,719	1,083,704	907,767	5.04	180,000	1.00	\$ 727,767	1,152,746	NA
1935....	1,135,776	17,223,306	1,049,258	891,918	4.96	180,000	1.00‡	486,918	1,207,543	\$ 5,576,000
1936....	1,376,692	21,150,154	3,715,984	3,041,653	16.90	180,000	12.00	881,653	1,285,920	6,356,000
1937....	1,839,960	33,311,896	5,771,871	4,164,245	23.13	180,000	8.00	2,724,245	1,249,768	8,250,000
1938....	2,087,188	35,803,704	6,773,409	5,445,867	6.05	900,000	1.60	4,005,867	1,428,096	8,922,000
1939....	2,305,988	39,397,379	8,667,745	7,013,250	7.79	900,000	3.50	3,863,250	1,518,393	9,532,000
1940....	2,462,211	42,859,413	8,624,393	6,407,883	7.12	900,000	4.00	2,807,883	1,709,360	10,288,000
1941....	3,089,954	55,945,667	12,774,685	6,780,492	7.53	900,000	5.00	2,280,492	2,011,846	12,163,000
1942....	3,492,343	68,009,070	15,744,654	6,439,818	7.16	900,000	3.75	3,064,818	2,463,575	13,690,000
1943....	3,569,030	74,752,235	14,614,373	6,081,789	6.76	900,000	4.75	1,806,789	2,448,032	16,177,000
1944....	3,692,352	76,668,879	13,755,798	5,639,253	6.27	900,000	4.00	2,039,253	2,662,119	16,825,000
1945....	3,529,468	76,153,543	12,726,620	5,613,605	6.24	900,000	4.00	2,013,605	2,922,451	17,871,000
1946....	3,026,413*	75,229,683	13,814,970	8,461,311	9.40	900,000	5.00	3,961,311	2,109,559	18,191,000
1947....	3,608,903	104,401,628	16,221,459	9,883,845	2.20	4,500,000	1.20	4,483,845	2,240,280	23,096,000
1948....	4,042,181	122,848,790	21,999,072	13,459,808	2.99	4,500,000	1.00	8,959,808	2,716,100	25,951,000
1949....	4,526,115	135,304,255	23,780,430	14,509,752	3.22	4,500,000	1.00	10,009,752	3,343,994	29,178,000
1950....	4,888,732	151,565,906	24,893,941	13,247,712	2.94	4,500,000	1.20	7,847,712	3,872,468	33,690,000
1951....	5,479,314	179,405,026	20,926,313	10,776,927	2.41	4,475,000	1.20	5,391,477	5,053,180	39,175,000
1952....	6,034,443	208,155,695	31,375,205	12,030,063	2.69	4,475,000	1.20	6,660,063	5,391,292	42,535,000
1953....	6,711,222	237,003,969	36,077,913	13,232,549	2.82	4,698,750	1.20†	7,862,549	5,607,631	49,629,000
1954....	5,828,760	215,923,244	27,231,414	12,752,975	2.65	4,816,218	1.20†	7,114,475	6,427,030	49,415,000
1955....	5,616,793	201,718,743	17,274,396	8,026,152	1.67	4,816,218	1.20	2,246,691	7,186,735	50,011,000
1956....	5,864,034	214,692,297	19,786,812	9,751,671	2.02	4,821,968	1.20	3,970,484	7,352,741	52,528,000
1957....	6,116,077	227,224,930	19,955,587	9,777,599	2.03	4,822,068	1.20	3,991,177	7,508,440	53,238,000
1958....	6,982,022	257,112,848	22,489,222	10,836,305	2.25	4,822,518	1.20	5,049,659	8,496,850	57,620,000
1959....	8,064,756	295,992,022	29,075,116	13,028,672	2.69	4,851,698	1.25	6,988,311	10,082,726	62,843,000
1960....	8,477,099	308,755,069	33,451,482	15,415,910	3.15	4,891,539	1.40	8,595,865	10,580,827	65,309,000

§Shares outstanding at December 31.

†In addition to cash dividends of \$3.00 per share paid in 1933 and \$1.00 per share in 1935, there was a distribution of 18,000 shares of The Borden Company stock in 1933 and 9,000 shares of The Borden Company stock in 1935.

‡In addition to cash dividend of \$1.20 per share paid in 1953 and 1954, a 5% dividend in shares of the corporation was distributed on December 30, 1953; and a 2½% dividend in shares of the corporation was distributed on December 30, 1954.

*Presidential Order effective March 1 reduced quantity of grains used in brewing to 70% of 1945 usage. Reduction remained in effect until September 1 when usage was increased to 85%, restriction removed on December 1.

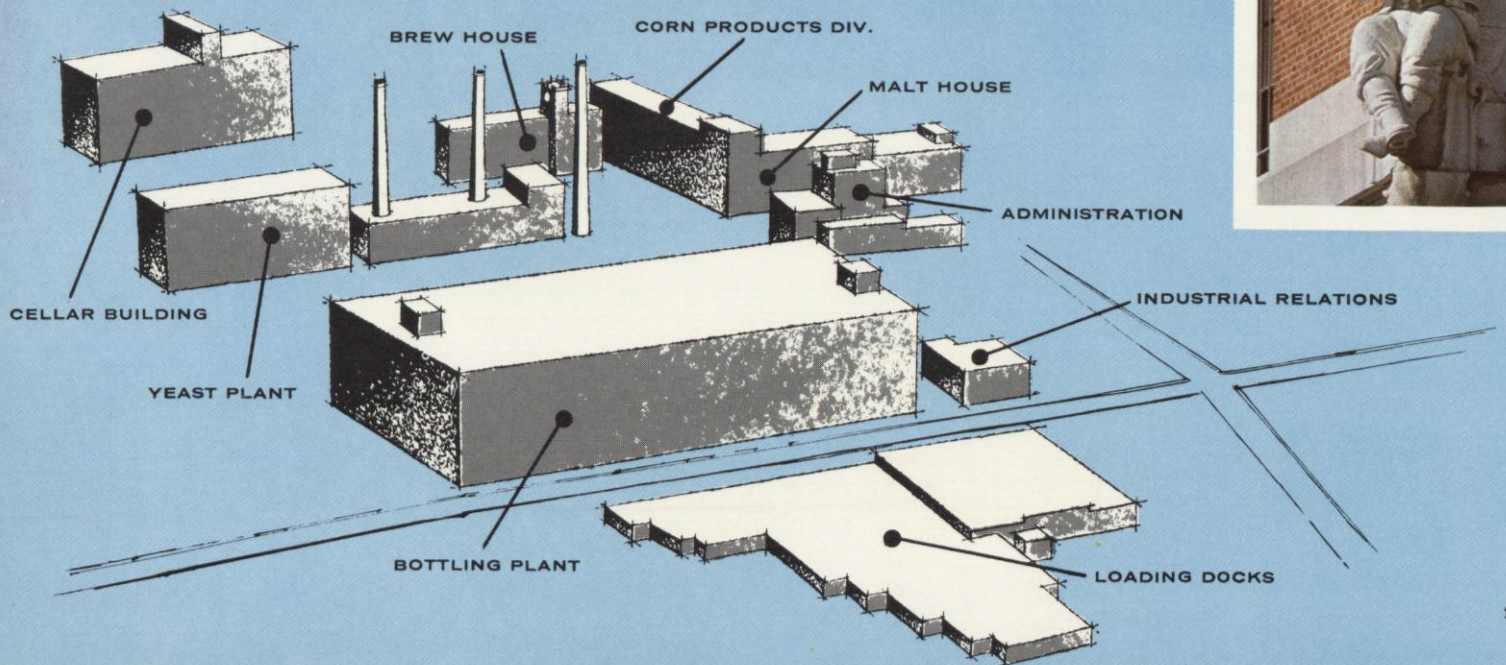
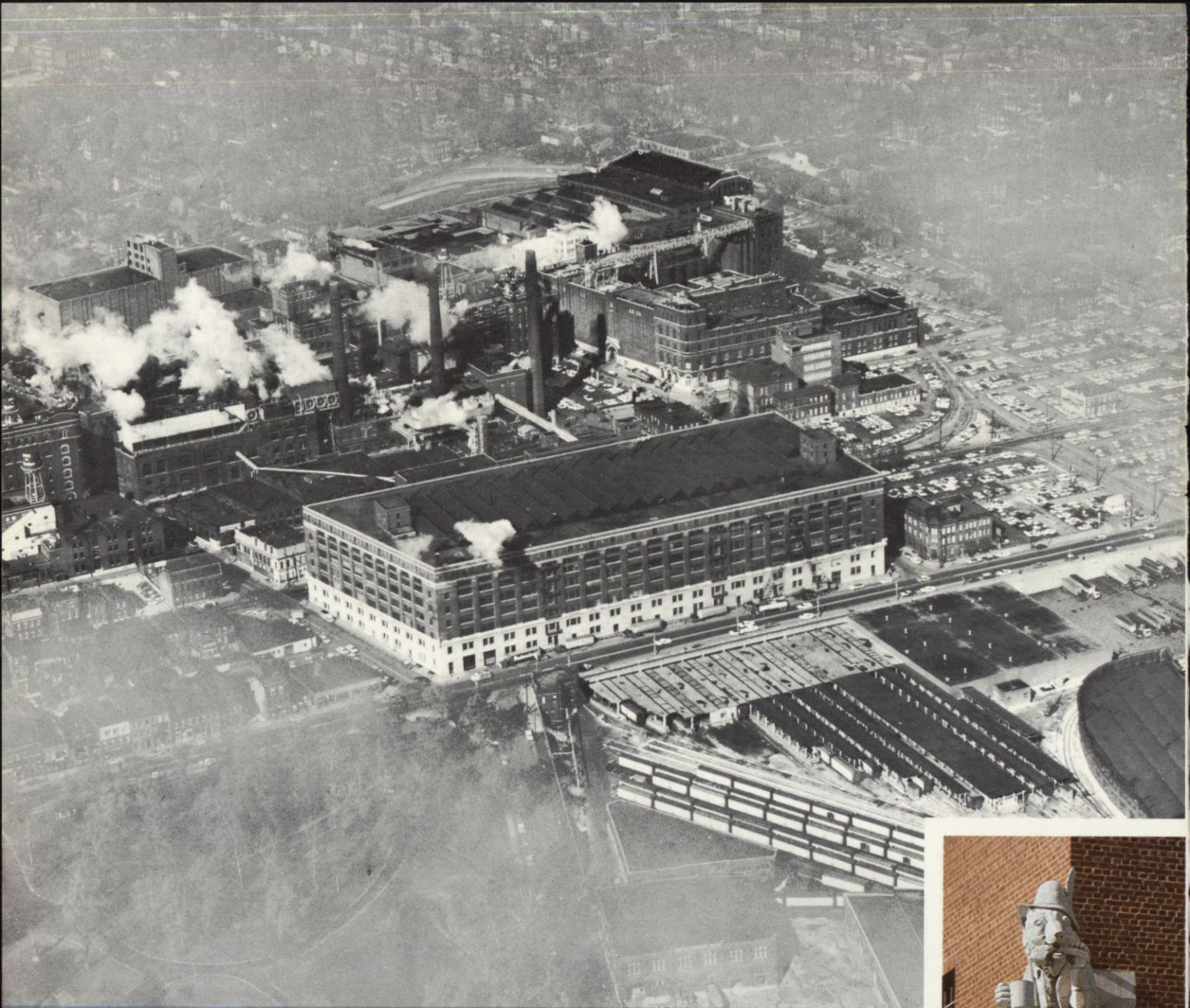


Anheuser-Busch products

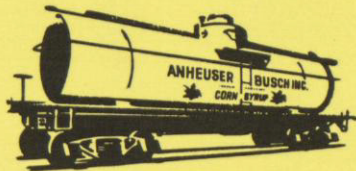
and
manufacturing
plants...



Abinco, A-B, Delta,
Budweiser, Michelob, Bud, Busch, Regal
are registered trademarks of Anheuser-Busch, Inc.



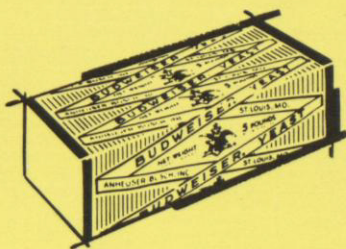
The Corn Products Division in St. Louis produces a variety of corn syrups that are sold nationally in tank cars, tank trucks and drums to confectioners, syrup mixers, canners, bakers and ice cream manufacturers.



Also produced by the same division in St. Louis are a variety of powdered starches, gums, and dextrines widely used in the manufacturing and processing of paper, textiles, food and even in the drilling of oil wells.



Budweiser Bakers Yeast is produced in St. Louis and Old Bridge, N. J. The St. Louis plant has the capacity to produce 33,000,000 pounds of yeast annually.



Budweiser, Michelob, and Busch Bavarian are brewed at the St. Louis plant.



ST. LOUIS

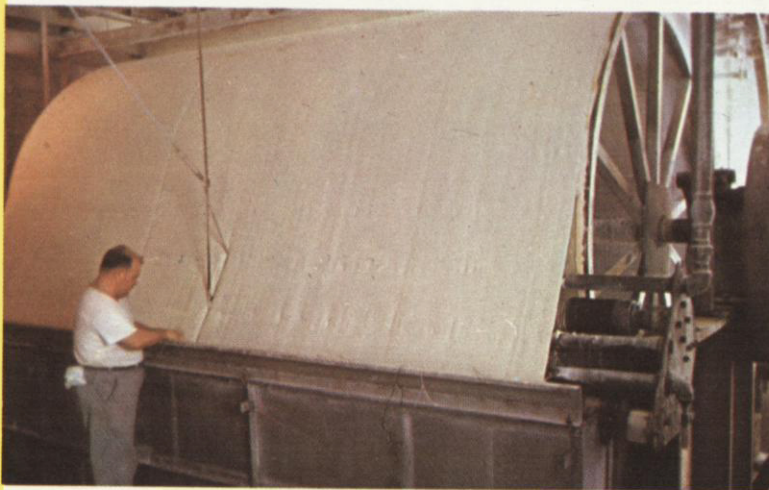
In operation since 1852, the St. Louis Brewery is a city in itself. It is the largest single brewing plant in the entire world. Ninety separate buildings cover 70 city blocks, including Corn Products manufacturing and Yeast Plant operations. It has more than 5,000,000 square feet of covered floor space equal to approximately 115 acres of ground.

On the corners of the Bottling Plant are the familiar Anheuser-Busch foxes - color photo inset at left. The use of such ornaments dates back to the middle ages when artisans and stonecutters began the custom of placing some sort of an animal on the arches and corners of new buildings. The statues represent something of a hallmark and symbol of the stonecutter's originality and freedom in his work.

The St. Louis brewery has a generating capacity to serve the daily electricity needs for about 75,000 persons. The daily capacity of the brewery's water plant is more than 7,000,000 gallons - enough for the household requirements of a city of 70,000 persons.

There are approximately 10 miles of railroad track within the brewery property. One hundred sixty-five freight cars can be placed on loading tracks at one time, with an additional 122 on holding tracks.

The plant has a brewing capacity of 6,000,000 barrels of beer annually. There are about 5,000 persons employed at the St. Louis plant.



A ten-foot wide strip of corn starch being dewatered.





NEWARK

Construction on the eastern home of Budweiser at Newark began in March, 1950 and the first shipments of draught beer rolled out in June, 1951. The plant is located along U.S. Highway 1 on a 51 acre site.

The Newark plant was tailor-made to duplicate every phase of the Budweiser brewing process in St. Louis. The equipment and materials at Newark and St. Louis are the same—the products identical.

Budweiser and Michelob are brewed at the Newark plant. It has an annual capacity of 1,800,000 barrels and employs about 1,000 people.

In these huge glass-lined tanks in the Lager Cellars of the Newark plant, Budweiser undergoes a natural clarification process and is fermented a second time. The second fermentation produces Budweiser's natural carbonation and delightful flavor.



LOS ANGELES

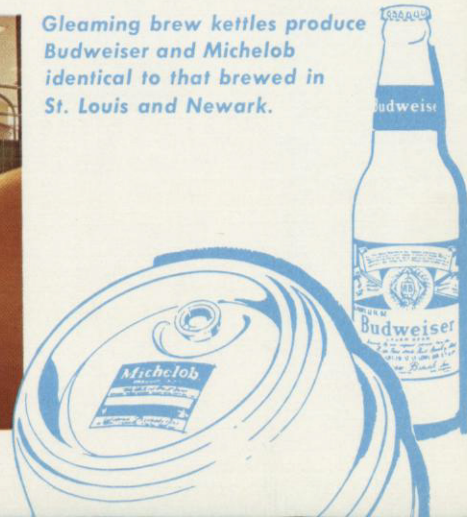
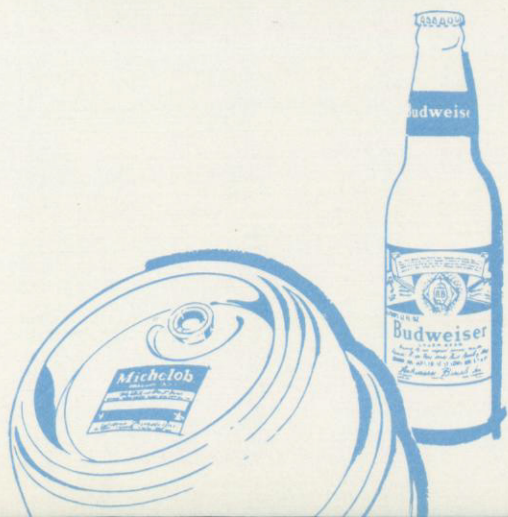
The Anheuser-Busch Los Angeles plant was dedicated on June 23, 1954. It is located on a 65-acre site at Roscoe Blvd. and Woodley Ave., in nearby Van Nuys. Originally the plant had the capacity to ship 800,000 barrels annually. It is currently being expanded to provide an additional 500,000 barrels a year.

The brewery is equipped to produce Budweiser and Michelob exactly as it is brewed in St. Louis and Newark. About 450 persons are employed at the plant.

A huge storage tank is swung into place in the new five-story stockhouse at the Los Angeles plant.



Gleaming brew kettles produce Budweiser and Michelob identical to that brewed in St. Louis and Newark.



TAMPA

The Florida home of Budweiser in Tampa was completed in June, 1959.

It is located on a 160-acre tract in Tampa's Industrial Park. Originally designed to produce 450,000 barrels of beer annually, plant expansion was recently completed and capacity is now 750,000 barrels a year.

The Budweiser and Michelob produced at the Tampa plant is identical to that brewed in St. Louis, Newark and Los Angeles. About 250 persons are employed at the plant.

Adjacent to the Tampa plant is Busch Gardens—a haven for tropical birds, wildlife and the setting for rare and exotic plants. The Hospitality House is located in this area. More than one million persons have toured the Hospitality House, plant and Gardens since the opening.



The Tampa Brewery is one of the most modern in the world. This instrument board automatically controls the handling of the grain from storage bin to brewing.



Regal Beer and Regal Ale are produced at the Miami plant.



MIAMI

Anheuser-Busch, Inc., acquired the Regal Brewery in Miami, Fla., in 1958. The plant produces Regal Beer and Regal Ale. Annual capacity is approximately 400,000 barrels and about 200 persons are employed at the plant.

During the past year, the company, operated under a consent judgment entered January 11, 1960. Additional information on this matter is available in the Legal Proceedings section elsewhere in this report.



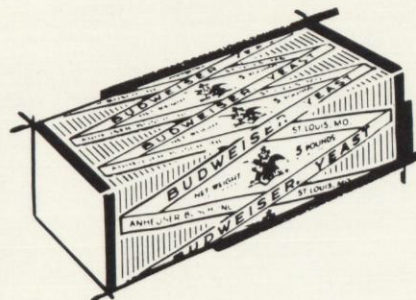
OLD BRIDGE

A second Yeast Plant was established in Old Bridge, N. J., in 1931. The plant has the capacity to produce 33,000,000 pounds of yeast annually and employs about 80 persons.

Anheuser-Busch is the second largest domestic supplier of bakers yeast.



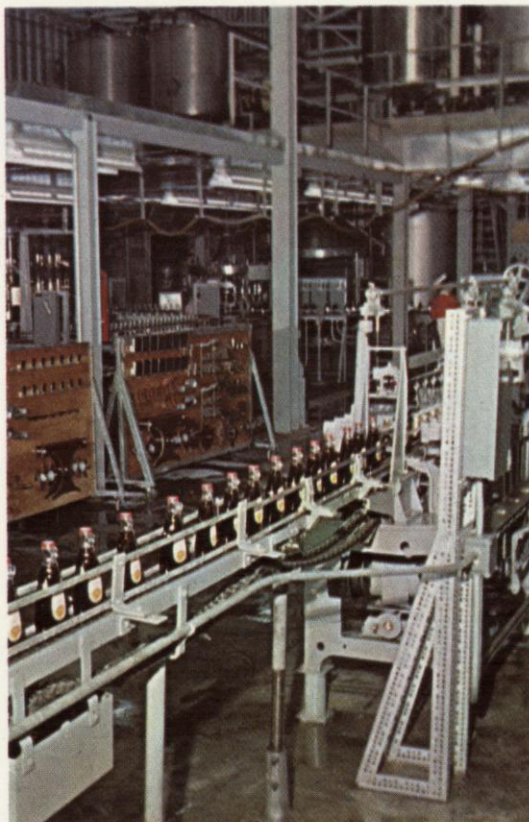
The yeast is wrapped in waxed paper bearing the distinctive Budweiser label.



NEW ORLEANS

A blending plant for table syrups was established in New Orleans in 1933. Construction of a new plant located in Harahan, La., a suburb of New Orleans, was recently completed. About 50 persons are employed at the plant.

Corn syrup is manufactured in St. Louis and shipped to the New Orleans plant in tank cars. There it is blended with cane sugar and other ingredients to produce Bud, Honey Bud, Waffle, Bud, Golden, Bud, Crystal and Delta, table syrups.



Corn Syrup, refined at the St. Louis plant, is blended with cane sugar and other ingredients at the New Orleans plant to produce the company's line of table syrups. Here the Bud, Delicious syrup production line passes through the labeling machine.



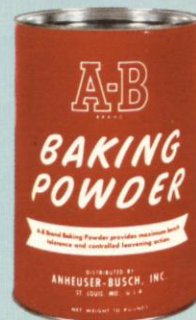
GUARD®—used in the baking industry as a mold inhibitor for bread and cakes.

D-S (Diastatic Supplement)—a diastated barley flour used in the baking industry as a dough conditioner.

ANHEUSER-BUSCH A-B YEAST FOOD®—a yeast nutrient and water and dough conditioner used in making bread and rolls.

A-B ENRICHMENT WAFERS—provide essential vitamins required for "vitamin enriched" white bread.

OTHER A·B PRODUCTS



BUD® BRAND EGGS—a complete line of frozen and dried solids for the baking industry and other food processors.

COTTON MAID® LIQUID LAUNDRY STARCH—available in retail stores in the southern part of the country.

A-B BAKING POWDER AND BAKERS CREAM—leaveners for all types of cakes.

"CHIPS" (Diastatic Supplement)—an enzyme in wafer form. Used as a dough conditioner in the baking industry.



TOURNAMENT
OF ROSES
AWARD WINNER



THE PARADE OF THE
WOODEN SOLDIERS

ENTERED FOR THE CITY OF ST. LOUIS / JANUARY 2, 1961